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* * * **LEGISLATIVE ALERT** * * *

NEW YORK SALES AND USE TAX REFORM

By Troy A. Rolf, Esq.
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The General Assembly of the State of New York recently passed, and Governor Andrew Cuomo signed, sweeping tax reforms that contain good news for general aviation aircraft owners and operators; under the legislation, general aviation aircraft (defined as any aircraft used in civil aviation that is not a commercial aircraft) will be exempt from sales and use taxes in the State of New York effective as of September 1, 2015!

The New York legislation may benefit not only taxpayers who purchase aircraft on or after September 1, but potentially also taxpayers who currently own aircraft that are based in New York and operated under either a leasing structure or a Part 135 structure for tax purposes, as well as New York taxpayers who historically have based their aircraft out of state to avoid New York sales and use taxes. The Business Aviation Group at GKG Law, P.C., is evaluating the new legislation to identify new opportunities for our clients, including opportunities to restructure and simplify aircraft ownership and operating structures. If you have an aircraft that is either based in New York under a leasing structure or a Part 135 structure, or if you base your aircraft out of state and would like to either relocate your aircraft to New York or simply land in New York from time to time, please contact the Business Aviation Attorneys at GKG Law, P.C., to discuss how this new legislation may benefit you.

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Troy A. Rolf is a business aviation and tax attorney concentrating in the areas of business aircraft transactions and operations in the law firm of GKG Law, P.C. The firm's business aircraft practice group provides full-service tax and regulatory planning and counseling services to corporate aircraft owners, operators and managers. The group's services include Section 1031 tax-free exchanges, federal tax and regulatory planning, state sales and use tax planning, and negotiation and preparation of all manner of transactional documents commonly used in the business aviation industry, including aircraft purchase agreements, leases, joint-ownership and joint-use agreements, management and charter agreements, and fractional program documents. Troy manages the firm's Minnesota office, at 700 Twelve Oaks Center Drive, Suite 700, Wayzata, MN, 55391, telephone: (952) 449-8817, facsimile (952) 449-0614, e-mail: trolf@gkglaw.com.